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RUEHBU/AMEMBASSY BUENOS AIRES 4737
RUEHCV/AMEMBASSY CARACAS 1987
RUEHPE/AMEMBASSY LIMA 2048
RUEHME/AMEMBASSY MEXICO 1895
RUEHMN/AMEMBASSY MONTEVIDEO 4183
RUEHQT/AMEMBASSY QUITO 4626
RUEHSG/AMEMBASSY SANTIAGO 9208
RUEHSO/AMCONSUL SAO PAULO 2035
RHEHNSC/NSC WASHINGTON DC
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E.O. 12958: DECL: 11/15/2016
TAGS: [PGOV](#) [PREL](#) [ECON](#) [BL](#)
SUBJECT: AMBASSADOR DISCUSSES COCA, MONEY LAUNDERING, AND
NEW HORIZONS WITH NOVILLO

REF: LA PAZ 3040

Classified By: Ecopol Counselor Andrew Erickson for reason 1.4(b).

Summary

¶1. (C) In a meeting on November 15, President of the Chamber of Deputies, Edmundo Novillo told the Ambassador that he supported rationalization of coca, but also depenalization and industrialization of the coca leaf. Novillo acknowledged the importance of an effective money laundering regime and pledged his support for the passage of a money laundering bill. He requested information about the "New Horizons" humanitarian exercise that the U.S. military may conduct next year. End summary.

Novillo's Views on Coca Policy

¶2. (C) In a meeting on November 15, President of the Chamber of Deputies Edmundo Novillo told the Ambassador that he supported rationalization of coca and believed that uncontrolled coca growth should not be allowed, particularly in the Carrasco National Park near Novillo's hometown. The Ambassador acknowledged GOB efforts to eradicate coca in the park, which resulted in two deaths recently, but said that increasing coca cultivation indicates that the government's policy is not reducing production. The Ambassador noted that the U.S. government does not support the depenalization or the industrialization of coca, which would lead to more cocaine production, and planned to oppose such policies at the Inter-American Drug Abuse Control Commission (CICAD) meeting in Santa Cruz at the end of November. Novillo responded that both governments should make decisions together to stop narcotrafficking, but added that the GOB

wants to do a marketing study to determine how much coca is needed for traditional uses and for industrialization/export.

The Ambassador replied that the European Union has offered to pay for a study to determine the amount of coca needed for traditional uses and manufacture of such products as coca tea within Bolivia, uses the U.S. could abide.

Novillo Supports AML Legislation

¶3. (C) The Ambassador pointed out the connection between control of narcotrafficking and an effective money laundering regime and asked Novillo for his support for the passage of comprehensive money laundering legislation, including terrorism finance provisions (ref A). Novillo acknowledged the importance of blocking narcotraffickers' access to funds and said that he supports the effort to implement an effective money laundering law.

Request for Information on New Horizons

¶4. (C) The Ambassador requested Novillo's support for a military agreement which would enable the U.S. military to conduct a "New Horizons" humanitarian exercise next year. The Ambassador explained that around 200 soldiers trained in construction and medicine would build clinics and schools under the program to promote cooperation between the two militaries. Novillo requested that the Embassy provide him information regarding troop objectives, timeframe, and locations to explain the program to congress and the public

once all is agreed with the executive branch.

Comment

¶5. (C) Novillo offered a spirited defense of the GOB's coca policy. We will continue our dialogue on this and other issues, but clearly the GOB coca policy is set by the President. End comment.
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